

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

ANNETTE KREITZER, COMMISSIONER

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July 2, 2010

Division of Early Retiree Reinsurance Program
Office of Consumer Information and Insurance Oversight
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

COPY OF
SCANNED
ORIGINAL
FOR FILE

Re: The Early Retiree Reinsurance Program
Application – State of Alaska, Department of Administration

To Whom It May Concern:

Enclosed please find the Application for the Early Retiree Reinsurance Program ("ERRP") established by section 1102 of the Patient Protection and Affordable Care Act ("the Affordable Care Act"), P.L 111-148, enacted on March 23, 2010. This Application is submitted by the State of Alaska, Department of Administration. I have authority to submit this application and bind the State in my role as Commissioner of the Department of Administration and as pertains to my responsibilities and duties towards the AlaskaCare Retiree Health Plan. AS 39.30.090(a)(3)(C). In completing the Application, the State of Alaska has followed general instructions provided by ERRP regulation 45 C.F.R. § 149.40. If any information in the Application changes or if the Department of Administration discovers that any information is incorrect, the Department will promptly report the change or inaccuracy.

The State of Alaska has evaluated each relevant provision in the Affordable Care Act in accordance with its value to Alaskans. As a fiduciary and the administrator of the AlaskaCare Retiree Health Plan, any action taken by the State of Alaska Department of Administration in making application under this program is not an alteration of the rights confirmed by Article XII, section 7 of the Alaska Constitution, as may be applied to retiree health plan benefits and is a legitimate attempt to ease the funding pressure felt by both plan members and the Department as a plan sponsor.

The State also views ERRP as separate and distinct from the individual coverage mandates at issue in the lawsuit known as the *State of Florida v.*

July 2, 2010

United States Department of Health and Human Services, Case No.: 3:10-cv-91-RV/EMT, United States District Court of the Northern District of Florida. The State of Alaska, through its Attorney General, is a named plaintiff in the lawsuit.

Additionally, it is the understanding of the Department of Administration that in applying for and potentially receiving ERRP funds, that DHHS agrees to defend, indemnify, and hold harmless the State of Alaska, including the Department of Administration, from and against any and all claims, losses, liabilities, damages costs, or expenses of any kind including reasonable attorneys fees, arising out of or in connection with the implementation, operation, or administration of ERRP or arising out of or in connection with this Application or an error or omission of DHHS or its representatives pertaining to this application.

Finally, the Department of Administration believes that the attached Application is complete and fully responsive to the Plan Sponsor Application Instructions provided by DHHS. If you have questions or concerns about the content, please contact the following individual:

Pat Shier
Director of the Division of Retirement and Benefits
Department of Administration
~~State of Alaska~~
6th Floor, State Office Building
Juneau, Alaska 99811-0203
Phone: 907-465-4460
Fax: 907-465-3086
e-mail: Patrick.Shier@alaska.gov

Thank you for the opportunity to participate in ERRP.

Sincerely,



Annette Kreitzer

Enclosure

cc: Ward Hinger, Special Assistant, Office of the Governor
Pat Shier, Director, Division of Retirement and Benefits